

## Introduced by Senator Ashburn

February 24, 2006

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An act to amend Section 19371 of the Revenue and Taxation Code, relating to taxation.

## LEGISLATIVE COUNSEL'S DIGEST

SB 1713, as introduced, Ashburn. Income and corporation taxes: suit for tax.

Existing income and corporation laws authorizes the Franchise Tax Board to bring an action in court to recover the amount of taxes, penalties, and interest due and unpaid under the Personal Income Tax Law and the Corporation Tax Law at any time within 10 years after the determination of liability.

This bill would reduce that time period to 4 years after the determination of liability, as provided.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 19371 of the Revenue and Taxation  
2     Code is amended to read:  
3     19371. (a) At any time within ~~10~~ *four* years after the  
4     determination of liability for any tax, penalties, and interest, ~~or~~  
5     ~~within the period during which a lien is in force as the result of~~  
6     ~~the recording of an abstract under Section 19203 or of the~~  
7     ~~recording or filing of a notice of state tax lien under Section 7171~~  
8     ~~of the Government Code~~, the Franchise Tax Board may bring an  
9     action in the courts of this state, of any other state, or of the  
10    United States in the name of the people of the State of California

1 to recover the amount of any taxes, penalties, and interest due  
2 and unpaid under Part 10 (commencing with Section 17001), Part  
3 11 (commencing with Section 23001), or this part.

4 (b) The amendments made by Sections 41 and 108 of Chapter  
5 117 of the Statutes of 1991 shall apply to any of the following:

6 (1) Taxes assessed under Part 10 (commencing with Section  
7 17001), Part 11 (commencing with Section 23001), or this part  
8 after July 16, 1991.

9 (2) Taxes assessed on or before July 16, 1991, under Part 10  
10 (commencing with Section 17001), Part 11 (commencing with  
11 Section 23001), or this part, if the period specified in subdivision  
12 (a), determined without regard to those amendments, has not  
13 expired on July 16, 1991.

14 (c) *The amendments made to this section by the act adding this*  
15 *subdivision shall apply only to a determination of liability for*  
16 *any tax, penalty, and interest that is made on or after January 1,*  
17 *2007.*